



CHROMAVIS

FAREVA

CSR REPORT

JANUARY 2021 – JUNE 2022

FOREWORD



At Chromavis, our dream is to become the most disruptive and responsible make-up creators, combining bold and constant innovation with the utmost commitment to providing solutions that promote significant, lasting, and positive change for people and the environment.

Our commitment to awareness and sustainability being at the forefront of our mission, I am delighted to share with you the second edition of Chromavis Corporate Social Responsibility Report, which tells of our recent achievements and outlines the goals we set for the coming years.

This new report focuses on the values of our company in an even more targeted way, detailing this new concept of 'responsible disruptivity' that we chose to better express our vision and define every aspect of our work and ethics.

Throughout 2021 and the first half of 2022, the constant motivation and commitment of our employees and partners allowed us to reach the fundamental goals we set in terms of innovation and environmental consciousness and encouraged us to look forward in the most inspired and visionary way. Our main focus has been to offer responsible products, working on innovative environmentally conscious formulations, selecting responsibly-sourced raw materials, reducing energy consumption and waste during the production process, and choosing increasingly sustainable packaging. It has also been a time full of initiatives in support of the people of Chromavis, who were involved in a series of corporate events, training programs, and challenges, which have proved to be essential to building and strengthening our sense of community.

I am proud of the outstanding results we achieved together. I sincerely thank everyone for their fundamental commitment and contribution while looking forward to what lies ahead along our path toward sustainability.

On behalf of the entire Chromavis team, I hope that learning about our shared effort will inspire you to support and promote responsible innovation and healthy social environments in the Beauty industry.

Thibaut Fraisse
CEO, Chromavis

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WHY A CSR REPORT?



As a **socially responsible company**, at Chromavis we guarantee our economic performance by integrating the principles of **transparency**, **accountability**, **ethical behavior** and **sustainability** in our organization.



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WHAT IS A RESPONSIBLE PRODUCT

A Responsible Product is a Product using a **Responsible Formula** with a **Responsible Packaging** through a **Responsible Supply Chain**, which is related to a rationalization of production sites & components suppliers, to consider a reduction of carbon footprint due to transportations and that could be rewarded by specific certifications (COSMOS, Fair Trade...).

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WHAT IS A RESPONSIBLE FORMULA

A **Responsible Formula** is issued from a sustainable conception, using a selected & limited list of **Raw Materials** from a **Rationalized Portfolio**, including **Responsible Raw Materials** (1), mixed following a **Responsible Process** (2) :

(1) : A **Responsible Raw Material** is coming from a Responsible Source defined by 2 main criteria :

- Ethical impact = use of RSPO sources, animal ethics respectful sources, child labor ethics sources.
- Environmental impact = promotion of local sourced RM to limit our carbon footprint & RM suppliers with an environmental conscientiousness.

(2) : A **Responsible Process** is an optimization process driven by :

- Reduction of water use,
- Reduction of energy use (promoting development of cold processes) & greenhouse gas emissions
- Reduction of waste production.



WHAT IS A RESPONSIBLE PACKAGING

A **Responsible Packaging** is favorizing :

- Use of **recycled** materials
- Use of **recyclable** packaging
- Use of **refillable** packaging
- Use of **reusable** packaging (second life product)
- Reduction of the volume and weight of packaging
- **Reduction** of secondary packaging
- A lower environmental impact by promoting use of **local sourced packaging** to limit our carbon footprint & Packaging suppliers with an environmental consciousness

OUR COMPANY

A vertical rectangular image showing a cosmic scene of colorful dust and particles in shades of purple, blue, and orange against a black background.

We are make-up creators.

We turn ideas into **innovative beauty products**.

We are driven by **research, innovation** and **environmental awareness**, relying on a great industrial capacity, financial strength and stability, an extensive product portfolio, a revolutionary new hub, proximity by way of Fareva global reach, a strategic muscle.

Corporate Social Responsibility is at the core of our **mission** and the Headquarters perfectly reflects this approach of paramount importance to us.

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OUR DREAM

BEING THE MOST **DISRUPTIVE** AND **RESPONSIBLE BEAUTY CREATORS**



**DRIVEN
BY FUTURE**

OUR STRATEGY

Provide **DISRUPTIVE RESPONSIBLE** make-up with
TOP BENEFITS and **PERFORMANCE**

OUR DIFFERENCE

RESPONSIBLE DISRUPTIVITY

CUSTOMER NETWORK MANAGEMENT

RESEARCH DISRUPTIVE SOLUTIONS
DEVELOP RESPONSIBLE PRODUCTS

AGILE SUPPLY/TIME TO MARKET

TALENT & CULTURE MANAGEMENT

DEEP CONSUMER INSIGHT

OUR CORE ACTIVITIES

OUR DNA

VALUES

Being '*Driven by future*' means creating **a place for talents** to bloom, generating a **sustainable, responsible, unique**, and **disruptive proposition** for partners, as well as empowering our **expertise** and **technology** to shape and deliver the **innovation** of tomorrow.

This **DNA** is based on the '**Chromavis 4 Cs**', as we defined our **core values**: **Clarity**, **Challenge**, **Community** and **Commitment**.

CLARITY means putting **transparency** first and always expressing a clear message in every situation. This includes giving honest and genuine feedbacks, and learning how to **communicate** in a seamless, straightforward way.

CHALLENGE is a strong engine that encourages our people to be more **passionate** and **committed**, boosting powerful innovation as well as the **ambition** to make our workplace better every day. Learning everyday to create **opportunities**, we try to turn the tables and we work with passion, going **the extra mile** together.

Our sense of **COMMUNITY** in fact underlines the importance of people perceived as a **true team**, as a group of individuals that can make the difference walking **the same path**, sharing the same **culture, goals**, and **strategy**. We encourage meaningful human connections in order to promote a productive, engaging, and positive culture. This translates into **mutual respect**, constructive spirit, **open mindfulness**, and a constant **selfless support** to any colleagues in need.

COMMITMENT drives us towards **excellence**. Every step of the way we are obsessed by **customer satisfaction**, and carefully plan every move in order to reach our goals and meet the **expectations** of every client. A **joint effort** that reunites people from all of our sites, who work tirelessly in order to achieve what was promised, reasonably investing their time and energies into this **shared venture**.

OUR DNA

CULTURE

Our **culture** is based on a **cre-active** approach that means to constantly try to go further, to break conventions and find new ways, **new** ideas, new challenges. It's an active creativity that never stops, centered on people that think and then immediately act, trying to find the right solution, to transform dreams into reality. **Art** guides us through **colors** and **visuals**, driving Chromavis into a **pop-culture world** based on **self-expression** and **creative-imagination**. We are working on transforming our headquarters into a living space of art installations and nurturing **visual inspirations**, in order to create the perfect atmosphere for **creative instincts** to manifest and talents to thrive, enhanced by a **stimulating environment** and **encounters**.

INNOVATION

Our strong background is the result of a long journey that traces the actual **HISTORY** of Chromavis.

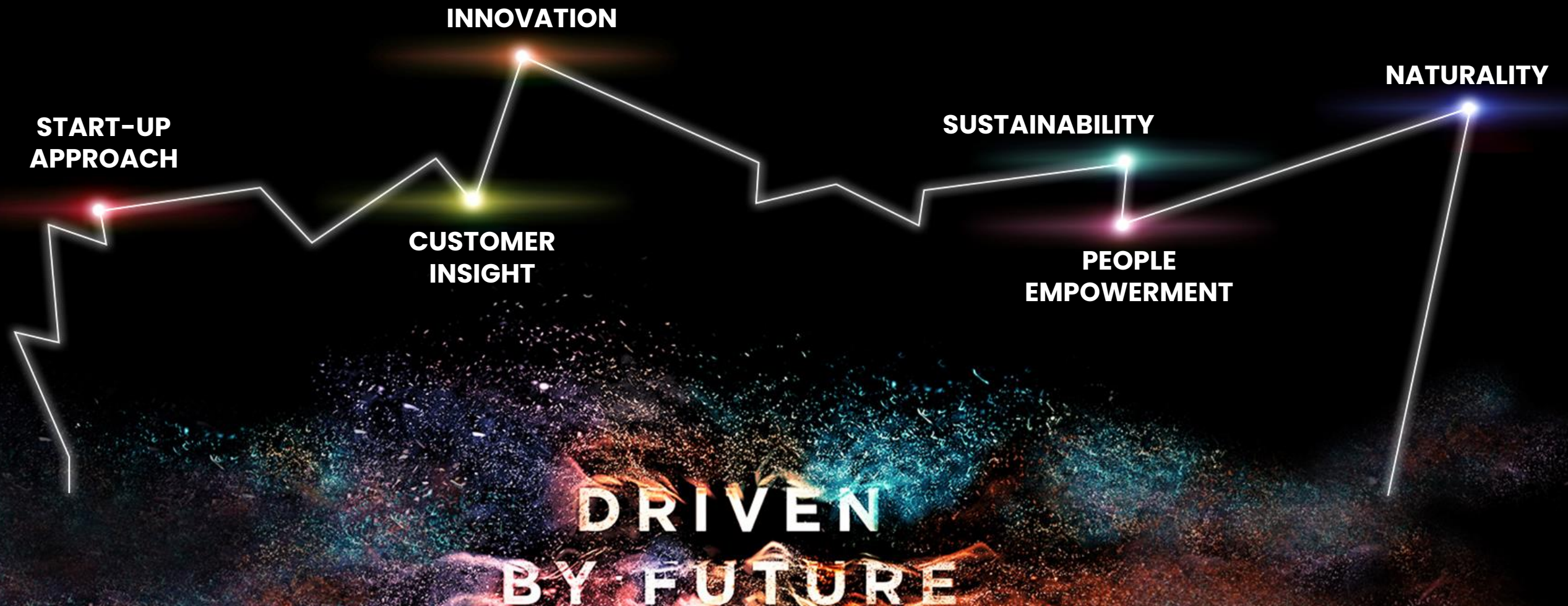
We have always been **innovators of processes** since our foundation over 50 years ago: a long route of innovations and patents in different product categories still running today along with new sustainable and revolutionary make-up concepts.

Constantly investing in new technologies and plants, we achieved a high level of **advanced prototyping**. Our soul perfectly combines **advanced technologies** with **craftmanship**, bringing to life the unique combination of technical expertise and color artistry that is at the very heart of our soul.

From creative ideas to real solutions, through Marketing, Research, Development, Prototyping, Industrialization, Production, Project Management and Customer Care.

That is how **we dream along with our partners**, turning dreams into ideas and products to be developed and quickly delivered, thanks to outstanding **mastery** and a **seamless operational strategy**.

OUR DRIVERS



ROADMAP

2022



2025



2027

PEOPLE

- **Culture reinforcement** based on 4Cs: Clarity, Challenge, Community, Commitment
- First **standardized training** programs
- **3 Paths training** for new hires, improvement, talents
- HQ survey **TOP EMPLOYER**
- Creation of stand alone **Chromavis Academy**

PLANET

- **CO2 reduction** campaign
- Start **Ecovadis rating for all affiliates**
- Chromavis **Forest**
- HQ being **Ecovadis Platinum**
- Chromavis forest allowing **HQ to be 100% CO2 neutral** for direct emission
- **Affiliate Ecovadis Gold**
- **B-Corp certification** start-up
- **100% CO2 neutral** for direct emissions

PRODUCT

- **70%** of catalogue compliant with internal **Black List 1***
- **30%** of **Innovation** Projects being **Responsible**
- **100%** of formula catalogue compliant with internal **Black List 1*** and 25% to internal **Black List 3***
- **30%** of **Innovation** Projects being **Responsible**
- **70%** of new business acquisition with **Responsible Products**

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*see page 49

OUR BELIEFS



PEOPLE, ENVIRONMENT, SOURCING ARE AT THE CENTER OF OUR CORPORATE SOCIAL RESPONSIBILITY.

A strict Code of Ethics clearly defines the fundamental ethical values of our company and constitutes the basic element of our corporate culture.

The quality of our products is a central pillar in order to guarantee the consumer safety.

RESPECT, SATISFACTION AND SAFETY OF EMPLOYEES, CUSTOMERS AND FINAL CONSUMERS GUIDE AND INSPIRE US.

CERTIFICATIONS



FAREVA FOUNDATION



www.fareva.com/en-gb/Foundation

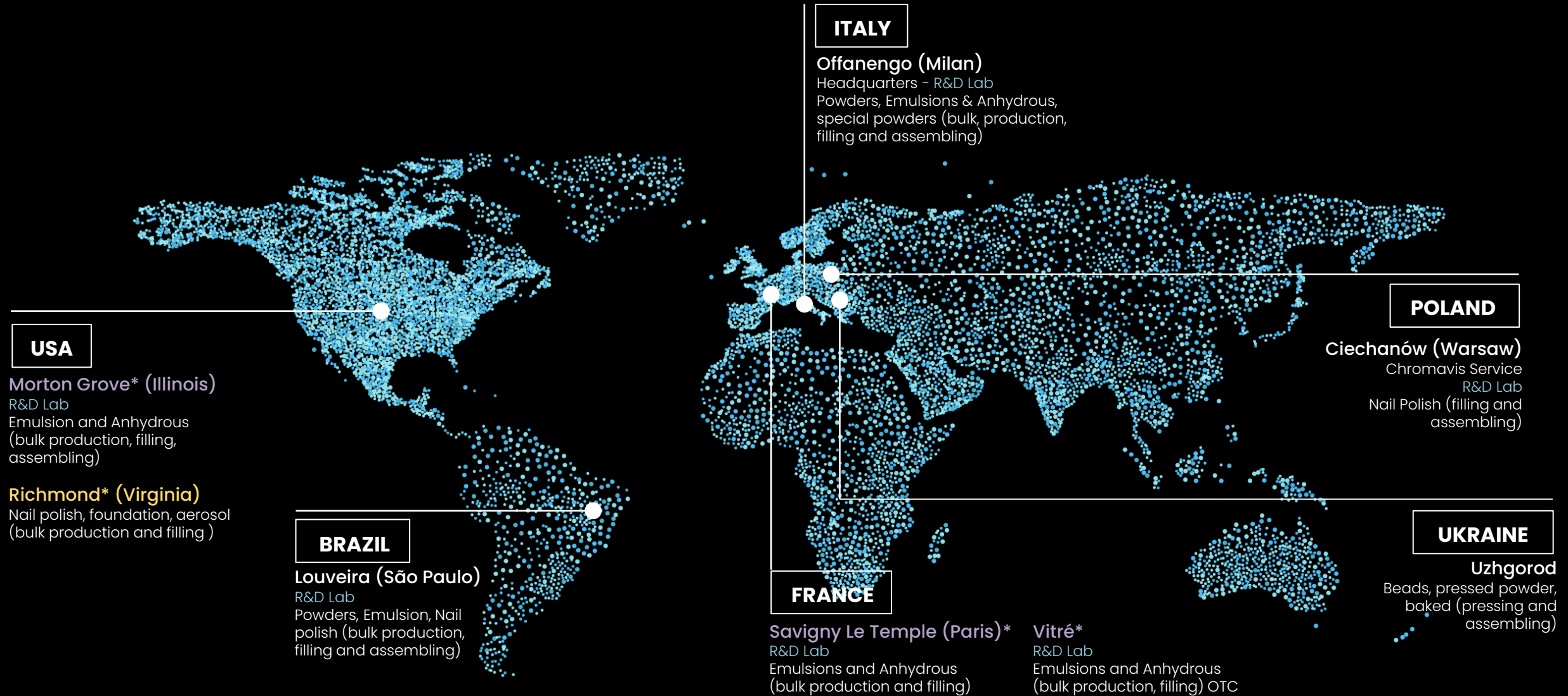
CHROMAVIS' FOREST



<https://www.treedom.net/it/organization/chromavis-fareva>

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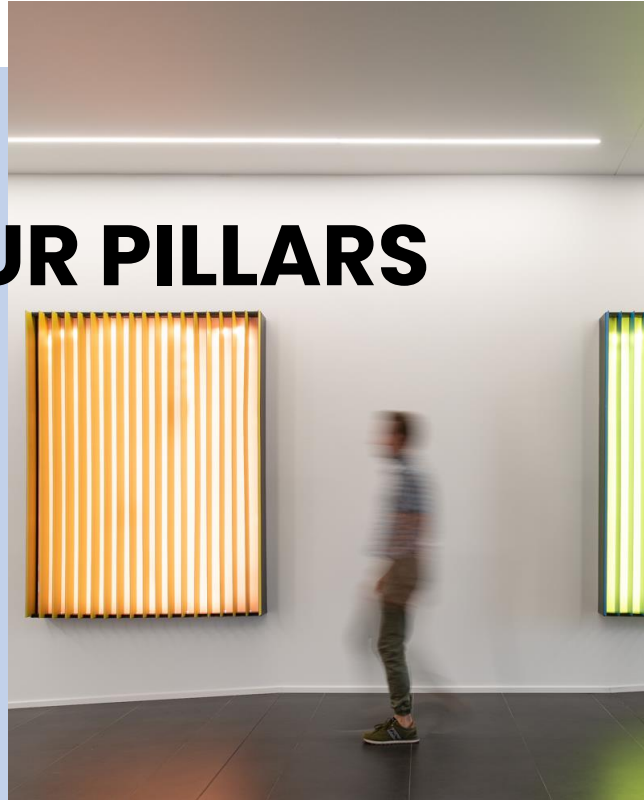
OUR GLOBAL REACH



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*operated by Fareva

OUR PILLARS



PEOPLE

PLANET



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PEOPLE



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KEY FIGURES (January 2021 - June 2022)

585 Employees based at the HQ

414 Women

47% Female Management (Executive & Managers)

90% Permanent Contracts

30 Nationalities

42,9 Age (average)

16.851 Training Hours

288 Training hours focused on diversity and inclusion and anti-corruption and transparency

41% 10 to 35 Years of Company seniority

33% 10 to 20 Years of Company seniority

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ETHICAL VALUES

We always operate in compliance with human rights and individual values, ensuring the transparency of our activities and fighting corruption. People stand at the heart of our Corporate Social Responsibility.

CODE OF ETHICS

This guideline of principles was designed to ensure that our company's core ethical values were clearly defined and establish the foundation of our corporate culture, as well standards of conduct for all our employees and business partners.

SOCIAL MEDIA POLICY

Social media policy was developed to provide employees with clear guidelines for the correct use of social media, in the event that reference is made to the Company. The goal is to help Chromavis employees in order to avoid any mistakes that could accidentally damage the Company's image and/or the professional relationship with customers and suppliers.

WHISTLE BLOWING

A specific procedure has been created to allow our people to report any incorrect or illicit behaviours or abuses related to the work environment.

Employees who need to report any violations can fill out an online form reporting all the details. The complaint is then sent to an internal team in charge of taking care of people's concerns. This process ensures protection to anyone who chooses to alert about abuse, guaranteeing confidentiality of their identity.

THE CHROMASQUAD

Being part of the same company while being located in different sites around the world, we consider **the sense of belonging** that binds each of us to this multiple reality to be of primary importance.

We therefore focus on helping our people **feel part of the same great team every day**, guided by a common and shared dream.

For this reason, we launched a survey to choose the name to identify **all Chromavis people**. The response to this initiative has been excellent and has generated great public engagement. Many employees expressed their opinion by voting for their favourite among various proposed options, or by suggesting a possible name themselves.

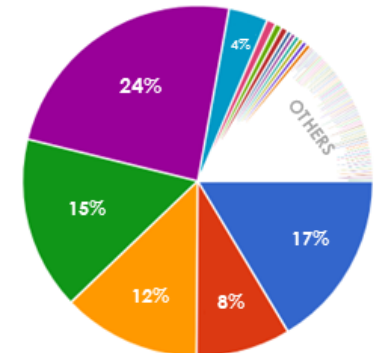
Finally, the choice was made!

CHROMASQUAD refers to us as a team while **CHROMAVISIAN** identifies each person.

Every newcomer to the Chromasquad receives a welcome kit with an assortment of branded gifts and make-up products, as well as useful documents and tools to easily become familiar with company procedures.

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LET'S CHOOSE OUR NAME!



HOW CHROMAVIS IS ASSISTING IN UKRAINE

We firmly restate our commitment to assisting Ukrainian people by combining strong operational strategies with charitable initiatives and mutual support between colleagues

An incessant work that began last March, with immediate support interventions that were launched in record time after the war crisis emerged.

During the past months, thanks to a **great amount of donations** made **by employees, suppliers and local communities**, basic emergency goods have been sent to Ukrainian population since the early days.

Pallets containing first aid kits, food, clothes, medicines, and other essential supplies were sent by dedicated trucks for **distribution through Chromavis sites in Poland and Ukraine** and safely delivered to refugees and affected population.

Funds raised by our company were partially allocated to Caritas organization, and partially invested in **purchasing an oven, to bake bread for the 250 refugees** hosted in the shelter built by one of the company's Ukrainian partners.

In addition, **an ambulance** as well **was donated** to the Humanitarian Aid Centre of Bucha, 20 km far from Kiev.



FIRST AID KITS



EMERGENCY GOODS BEING PACKED AND SHIPPED



EMPLOYEES DONATING



THE AMBULANCE DONATED TO BUCHA HUMANITARIAN AID CENTRE

Several **strategic corporate decisions** have also reflected this tireless cooperation and commitment of both **Chromavis and Fareva** to support Ukraine in the past months.

To **safeguard employees and their families**, we took **precautionary measures** deciding to suspend operations in Ukraine during the first month of the conflict. Subsequently, considering the fortuitous circumstances related to the relatively safe location of the Uzhgorod (UA) plant - sited in a small city, close to the border with the European Union and far from the areas most affected by war events - we decided to resume activities there, with a view to **guaranteeing work** for its employees still **prioritizing** the aspect of **safety** given the complex circumstances.

The plant currently relies on the **European electricity grid**, to which has been safely connected, and distribution centers located in Europe are used for logistics operations. The same categories of products can be manufactured both in our Ukrainian and Italian sites, and this confirms the steadiness of any future production plans promoted there.

As a bold choice for sales and business development, **Chromavis has also strived to allocate work and business in Ukraine**, this way trying **to support the economy of the country and its population** even more.

We also welcomed with gratitude and dedication unexpected **gestures of solidarity from international clients**, who asked their production activities to be moved to the Ukrainian plant, in a shared perspective of help and cooperation precisely.



OUR CEO AND MANAGEMENT REPRESENTATIVES VISITING THE UKRAINIAN PLANT AND WAREHOUSE WHERE EMERGENCY GOODS WERE STORED AND DISTRIBUTED

INTERNAL ACTIVITIES

BENEFITS

W

WELFARE

This agreement that allows you to adopt the **"Collective Bonus"** in some services (Health, Sport & Leisure, Family) for employees and their families, without taxation.

N

NURSERY

A special agreement was signed with the **Nursery of Offanengo** to guarantee affordable rates to all our employees, with the aim of supporting family management and a better balance between work and private life.

E

E-CHARGERS

In the parking area of our headquarters, 4 **charging stations for electric cars** were installed. These are available to our employees with the aim of encouraging the use of renewable sources.

H

HIGH-SCHOOL SCHOLARSHIPS

Chromavis provides scholarships for the children of employees attending five-year High School courses, adhering to the initiative promoted by the Industry Union **'Associazione Industriali di Cremona'** and intended for associated companies.

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INTERNAL ACTIVITIES

SAFETY AND HEALTH PROMOTION

We are constantly committed to ensure safety and health of our people.

D

DIGITIZATION OF HEALTH SURVEILLANCE

With a view to making business practices increasingly green and sustainable, the sending of the results of medical examinations carried out in the company has been **fully digitized**.

The procedure takes place in absolute compliance with the Privacy Policy.

C

CANCER SCREENING

With the aim of promoting social and personal well-being in the workplace, Chromavis adheres to the initiative of the local health authority "ATS Valpadana" relating to the **promotion of Health initiatives**. In particular in 2021 we offered **free cancer screening** for people aged between 25 and 74, and free flu vaccinations for employees.

W

WHP PROGRAM

(Workplace Health Promotion)

This program inspires us to create a work-place that promotes health.

HOSPITAL SERVICE

We offer a first aid service for illness including a private transport service from the company to the hospital emergency room and to the employee's home.

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INTERNAL ACTIVITIES

CHROMAVIS CHALLENGE

A series of initiatives related to the promotion of physical and environmental well-being in the company kicked off last June, with the launch of the first 'Chromavis Challenge'.

A project designed to **promote social relations** between employees of our various locations around the world and **encourage a healthy and balanced approach to life** outside the workplace.

The participants to the challenge were required to walking every day, accumulating points and collecting virtual trophies, in a shared team spirit. The competition in fact took place through the KIPLIN app, a platform which helped everyone keep track of their progress and compete alongside their team in a series of daily trials.

The 'Chromavis Challenge' has been faced by colleagues from all our sites: **329 employees** have been put to the test walked together the impressive number of **66.62.445 steps over 21 days**.

In addition to helping us in promoting physical and mental well-being and encouraging bonding within our company and our teams, this challenge allowed us to leave a tangible mark of our **commitment towards sustainability**.

In fact, the top 100 participants were in fact awarded trees planted in several regions of the world in collaboration with Treedom, an online platform that allows people to plant trees remotely and follow updates on the agroforestry projects they make.

INTERNAL ACTIVITIES

CHROMAVIS ACADEMY

Chromavis strongly believes that **training** and **updating** are essential tools for the journey towards excellence.

In order to guarantee constant support to every team, the '**Chromavis Academy**' was launched in 2021: a program of focused online courses, specific trainings and team building experiences offered to employees on a regular basis.

We consider every courses as instructive and pleasant occasions for our teams to meet in person, perfect their knowledge in the field and rely on the expert advice of external trainers, to find inspiration and constantly grow as professionals.

INTERNAL ACTIVITIES

PROMOTING DIVERSITY AND INCLUSION

We strongly believe in **diversity as a precious source** of enrichment and enhancement of creativity, as a consequence of sharing diverse knowledge, perspectives and points of view.

Only inclusivity can turn diversity into a valuable resource for the company.

To date, 585 employees of 30 different nationalities work at our headquarters; 414 of them are women, of which 47% hold a managerial position; 28 people with health conditions or impairments are currently part of our team.

Training courses on **“diversity and inclusion”** have been launched in the company and involved 249 people so far.

Since 2019, we have also carried out a special project called **“Isola Formativa”** (*The Island of Training*) with the aim of helping people from disadvantaged groups to get skills and find a job. It consists in a paid internship program for selected groups of people organised in collaboration with the ‘Employment Office for Disabled People’ of the Province of Cremona and the Social work cooperative ‘Creare Valore’.

The first edition, called «L’isola che c’è» (*Everland*), was inaugurated in September 2019 in the assembly department of the Chieve plant, and ended in February 2020 at the Offanengo headquarters. All trainees from the first edition found work after the internship, including one of them who became a Chromavis employee in October 2020.

A second project started in January 2021 with five trainees at work coordinated by a tutor and aims to develop specific skills and competences. This internship gave participants the opportunity to be hired in any manufacturing company.

A **third edition was launched in February 2022** and is still on going.

INTERNAL ACTIVITIES

EVENTS

TOWN HALLS

Three times a year, on the occasion of a town hall meeting, **our CEO shares updates** regarding the corporate strategic plan, the state of the business and the short and long term objectives.

All of our employees from our sites worldwide attend these **live streaming meetings** at the same time, with a view to **make people feel truly part** of our company.

INTERNAL ACTIVITIES

EVENTS

CORPORATE EVENTS

On the occasion of national holidays or special occasions, we **organize corporate events for our employees and their families**, in order to promote the spirit of community and share joyful and leisure moments among **colleagues**.

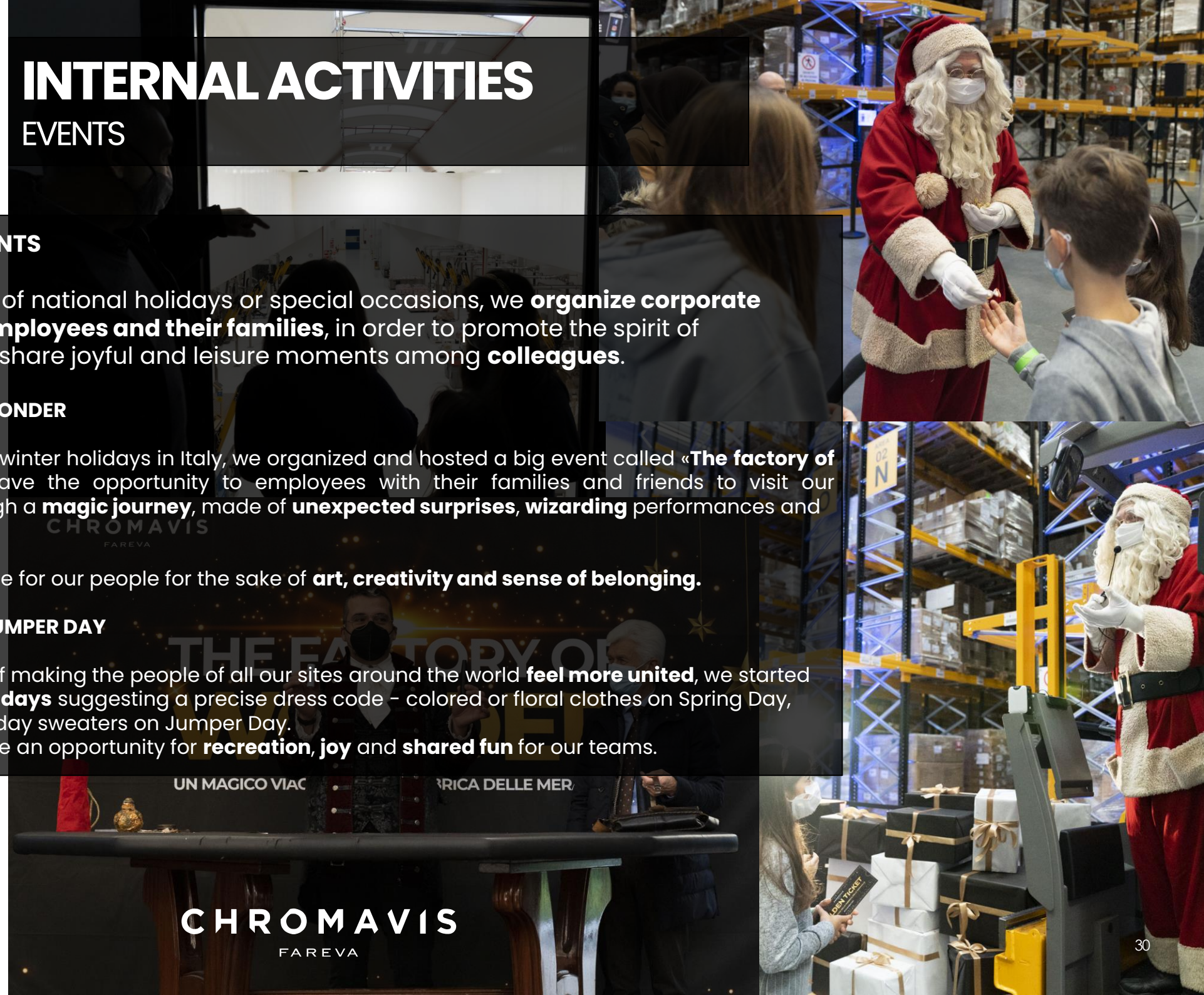
THE FACTORY OF WONDER

On the occasion of winter holidays in Italy, we organized and hosted a big event called «**The factory of Wonder**», which gave the opportunity to employees with their families and friends to visit our Headquarter through a **magic journey**, made of **unexpected surprises, wizarding performances and illusions!**

A thrilling experience for our people for the sake of **art, creativity and sense of belonging**.

SPRING DAY AND JUMPER DAY

With the intention of making the people of all our sites around the world **feel more united**, we started organizing **themed days** suggesting a precise dress code – colored or floral clothes on Spring Day, and Christmas holiday sweaters on Jumper Day. Both occasions were an opportunity for **recreation, joy** and **shared fun** for our teams.



INTERNAL ACTIVITIES

EVENTS

MOVIE SET & PRODUCTION

Our headquarters was chosen as **the location of** several scenes of the movie '**Quasi Orfano**', an Italian **film production**.

This opportunity has allowed us to experience a different side of our everyday work location, to see behind the scenes of a film production, and to participate in it. In fact, **40 of our employees** took part in the movie as **background actors** and we all enjoyed this priceless experience.



EXTERNAL ACTIVITIES

UNIVERSITIES & BUSINESS SCHOOLS

We strongly believe in **new talents**, and we would like our company to be a place for them to bloom.

For this reason, we started collaborating with **Italian High Schools, Universities** and **Business Schools**, hosting visiting students at our headquarters and offering courses taught by our management.

EXTERNAL ACTIVITIES

LOCAL COMMUNITIES



We recognize the great importance of the connection with the Offanengo area in Italy, where our headquarters is located, and we share the development objectives of the demographic, economic and social fabric of the area.

Since 2018 Chromavis has been one of the **official sponsors** of the local Offanengo **Volley Team** "Chromavis Abo", a women's team that plays in the Italian **League Series A2 championship**.

Sport has this amazing and unique way of making a **positive impact in society** and we want to play our part in it.

In July 2022 we signed an agreement with the Municipality of Offanengo to formalize our **commitment to contribute** to the construction of **a new canteen for the local school**.

The project has recently been approved and **construction** work will begin **in early 2023**.

In return, the Municipality has agreed to grant our employees discounted fees for the enrollment of their children in the **local Nursery**.

The **agreement is valid for 10 years** and shows Chromavis commitment to **supporting people and the local community**.



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EXTERNAL ACTIVITIES

THE FAREVA FOUNDATION



Fareva is a company which is involved in civil society. Through its Corporate Foundation, set up in 2016, it undertakes to **improve living standards** and **protect the environment** in those countries in which it is present.

One of the objectives of this foundation is to contribute to the **well-being of people** who are vulnerable or ill, in fact the Fareva Corporate Foundation has joined **the "Belle & Bien" association** as a patron.

"Belle & bien" is an association under the law of 1901 created in 2002 and specialized in women's well being and make-up.

It is part of the international program "look good 1989.

The Association organizes facial care and make-up workshops for women undergoing cancer treatment.

Chromavis at the beginning of 2021 decided to take part in this project developing a special lip balm for the association. The "So Doux – Baume à lèvres" had been gifted to **"Belle & Bien"**, in the occasion of their 20th anniversary.

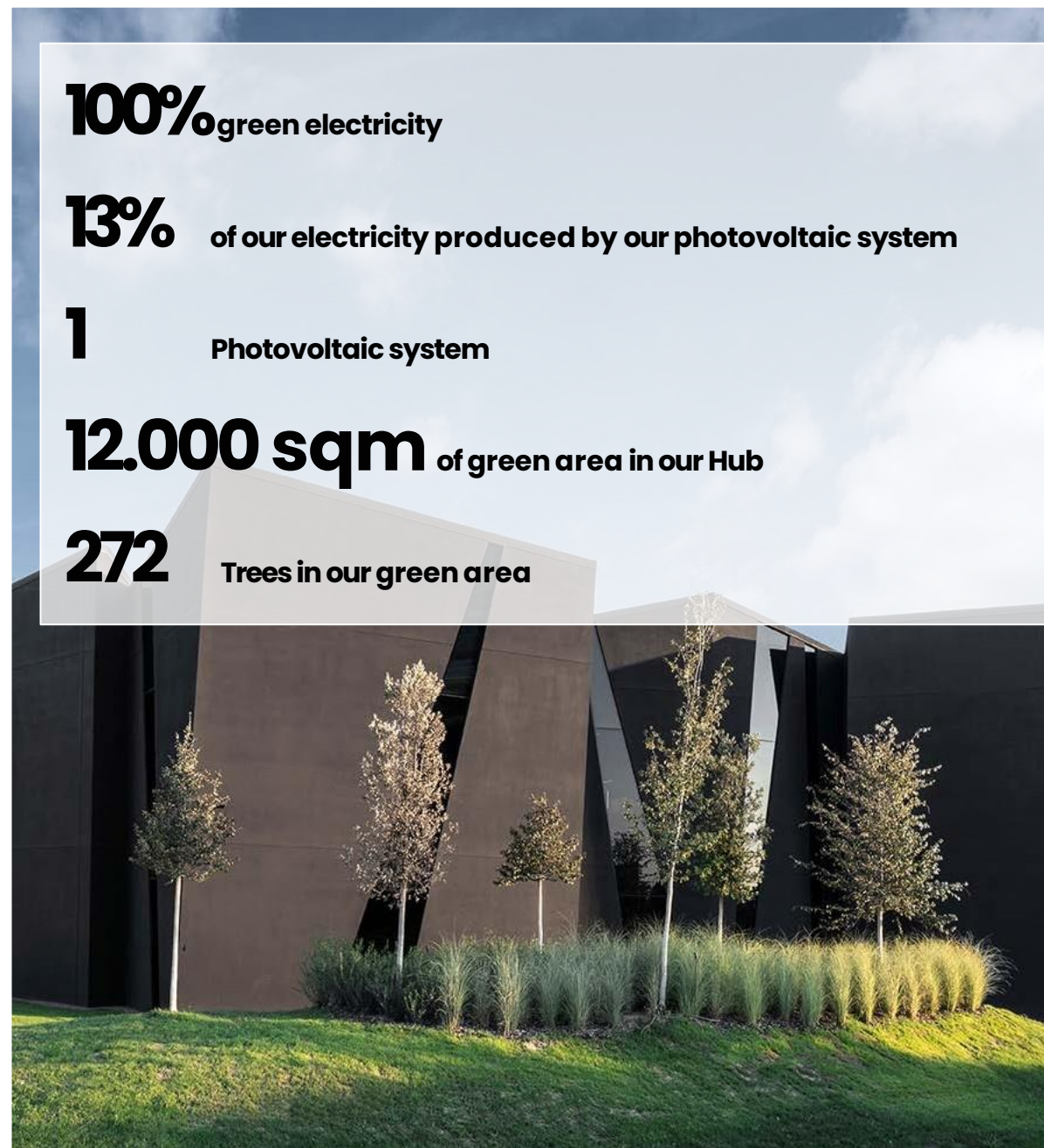
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KEY FIGURES

(January 2021 - June 2022)



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CHROMAVIS FOREST

In 2022, in collaboration with Treedom, we launched an important project aimed at creating the first Chromavis Forest. Our forest is a tangible mark of the importance we give to **health**, people's **well-being** and commitment for the **environment** in our business.

The first 100 trees were planted in Cameroon and Ghana, and this result means a great deal **in our dedication towards sustainability**. For us, planting these trees meant not only providing concrete support for the environment, but also being able to contribute to the economic and social development of the local communities living in these territories.

NUMBERS

100 TREES planted

2 COUNTRIES supported – Ghana and Cameroon

17,92 T OF CO2 absorbed in 10 years

This result confirms our dedication, and we intend to make the Forest **grow larger in the upcoming months**.

Besides bringing a **huge environmental benefit**, this project will also **support local communities** in the countries that host our forest – Cameroon and Ghana – improving their socio-economic conditions.

Through this project of great value we also kicked off a new series of **sustainable initiatives** that aim also at the health and well-being of our people.*

*see page 26



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HEADQUARTERS

INNOVATIVE ARCHITECTURE

The **Offanengo Headquarters** was built with **highly eco-sustainable criteria**, as well as designed to be a place surrounded by greenery, capable of creating a strong relationship between man and nature.

The sustainable approach has led to choosing a **low environmental impact** in buildings, aimed at achieving **great energy efficiency**.

The plant is surrounded by over 12,000 square meters of greenery they are, 25% of our building.

It has 272 trees of 15 different species, 2,300 square meters of shrubs and 9,400 square meters of green lawn.

3 internal gardens and a large panoramic terrace have been **designed to be a green oasis** between laboratories and offices, with over 300 square meters of shrubs and 29 trees.

HEADQUARTERS

ENERGY EFFICIENCY

We utilize 100% of green electricity.

Our Headquarters has been designed with specific systems that allow to achieve a great energy efficiency.

The entire **lighting system** of the plant, indoor and outdoor, has been realized only with **LED lamps** that are monitored by a **Building Management System (BMS)** that manage the switching on and off of all the lights everyday, optimizing the energy consumption.

A **photovoltaic system**, with a capacity of 650 kWp max, is able to generate the electricity directly used for our production processes.
From May 2020 to December 2020 it covered the **6%** of the company energy demand, from January 2021 to May 2021 the **11,2%**.

The rest of our requirement is satisfied by 100% green electricity coming from **certified renewable sources**.

A **thermal energy recovery system** recovers the heat generated in production departments. The air sucked from the production departments is filtered and passed through a heat exchanger that purifies it and allows us to **reuse** it for both heating and cooling these areas.



HEADQUARTERS

WATER CONSERVATION

Water saving and conservation are relevant issues for us. We re-use water.

WATER CONSERVATION and RAINWATER COLLECTION SYSTEM

Our new headquarter has been created with a **rainwater collection system**. The water once used for the production processes is collected conserved in storage tanks, together with the rainwater. This system allows, after treatment, **to re-use the water** for irrigation of the green areas and for internal sanitary requirements.

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HEADQUARTERS

WASTE MANAGEMENT

We invest in recycling education for our employees to make sure they apply **the best recycling practices** both at work and at home. In 2021 we achieved an important result in terms of **waste management**, since our entire waste produced has been **recycled** (34%) or used to produce **green energy** (66%), setting to 0% the quantity sent to landfills.

PLASTIC FREE

We are working hard to **reduce our consumption of plastic**.

We have banned:

- . Plastic bottles: we have installed automatic water dispensers.
- . Plastic cups: We buy paper cups to drink water or coffee.

We gifted Chromavis people **stainless steel water bottles** that in order to reduce the consumption of disposable glasses and cups.



CARTON BOXES

100% of carton boxes we use to deliver finished product to our clients are **FSC certified**.

Forest Stewardship Council™ (FSC) makes sure that the forests, from which our boxes come, are managed in a way that preserves biological diversity and benefit the lives of local people and workers, while ensuring economic sustainability.



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PRODUCTS



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KEY FIGURES (January 2021 - June 2022)

100% Vegan Formulas within marketing developments (January 2021 - June 2022)

65% of Vegan Formulas in our Portfolio

N° 51 Tested Formulas in our Portfolio

N° 29 Natural Formulas with Natural INDEX ISO 16128 **>70% <90%**
within marketing developments (January 2021 - June 2022)

N° 53 Natural Formulas with Natural INDEX ISO 16128 **>90%**
within marketing developments (January 2021 - June 2022)

N° 14 + 13 Cosmos Natural & Cosmos Organic Formulas
within marketing developments (January 2021 - June 2022)

N° 30 Patents + **7** pending (**12** focused on sustainability)

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OUR EXPERTISE

We are always investing extensively in R&D to keep **expanding our horizon** fusing creativity and technical ingenuity.

We offer a **complete range of make-up solutions**, covering all categories: complexion, eyes, lips and nails, also covering a specific medical devices offer.

Our great expertise in both make-up and nail polish sector allows us a unique stylistic alignment in terms of market trends.

We adopt a **NATURAL, CLEAN** and **SUSTAINABLE approach**, which is at the core of our MISSION and inspires our researchers every day, combined with a **highly technical knowhow** on **nail polish natural-based formulas**.

A strong company asset is represented by the many **patents** we obtained **both in make-up and nail sectors**.

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ONE STEP AHEAD

INNOVATION

Starting from **visionary concepts**, we study **the most innovative and environmentally conscious formulas**, producing them through **advanced** and **planet-aware processes**.



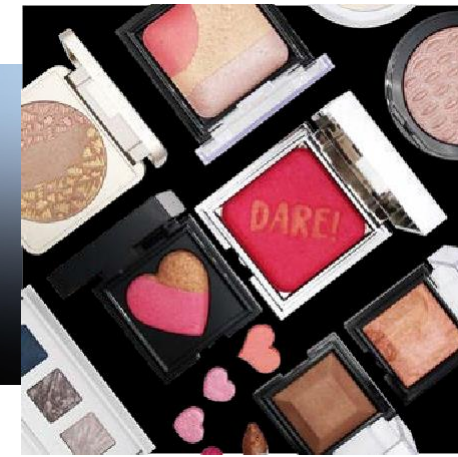
DISRUPTIVE & RESPONSIBLE

We foresee our future as innovators by **turning our dream into reality**, working towards delivering solutions that are both **disruptive and responsible at the same time**.



EMOTIONALLY CONNECTING

Every day we strive to be more **impactful** and **thoughtful** as we create **emotionally connecting cosmetics**, focusing on making functional products **that really come alive as we put our souls in them**.



SPECIAL EFFECTS

Through **visual special effects** and **superior performance**, we build radically amazing textures with **genuine personalities**.

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ONE STEP AHEAD

AWARDED INNOVATIONS



CRESCENDO
FOUNDATION



FLEXXY PALETTE



MICRO VELVET
EYESHADOW



EVOKE
LIPSTICK



TIE & DYE



PREMIUM MATERIA



MATERIA



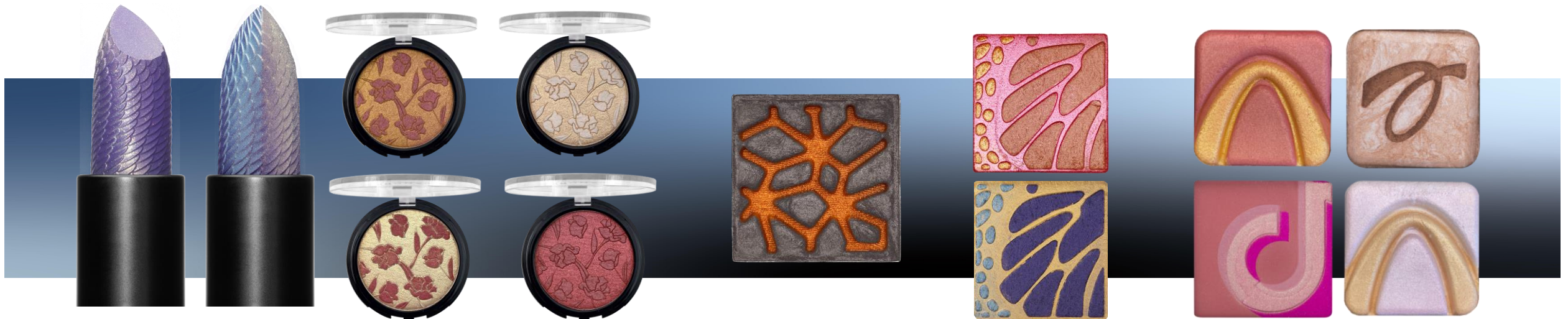
MATERIA

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ONE STEP AHEAD

VISUAL FXI

Visual effects on powders, **special powders** and **lipsticks** are at the core of our know-how since ever and lot of them **are patented**.



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ONE STEP AHEAD

CLEAN COLLECTIONS

Chromavis started its journey towards clean collections more than 5 years ago, following the newest market changes and demands: increasing the naturality of our formulas, reducing the number of ingredients used, considering black lists requirements, increasing the usage of eco-designed packaging, up to presenting Cosmos and Cosmos Organic certifiable collections.



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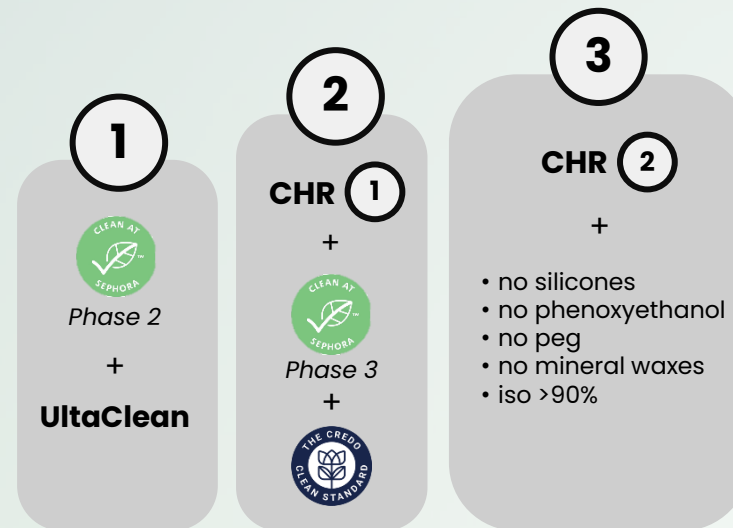
ONE STEP AHEAD

FORMULATIONS

CHROMAVIS *INTERNAL BLACKLIST*

Chromavis has established a multi-level corporate blacklist with an increasing degree of cleanliness and, therefore, naturality.

THE LEVELS



PURPOSE

To develop products in line with current and, most importantly, future **market demands**.
Chromavis portfolio to date counts MORE THAN 50 formulas compliant with blacklist 3 requirements.

Chromavis is continuously searching for **substitutes of natural origin** to **Microplastics** and **Silicones**. The other relevant challenge is to **remove and substitute Nano materials**.

We are also collaborating with the main **leader suppliers of raw materials** to combine our and their know-how in the research and development of potential alternatives that are not available today.

ONE STEP AHEAD

THE 5 Rs OF SUSTAINABLE PACKAGING

RECYCLED

USE OF PACKAGING
COMPOSED OF RECYCLED
MATERIALS

RECYCLABLE

MONO MATERIAL
PIR
PCR
BIOBASED

REUSABLE

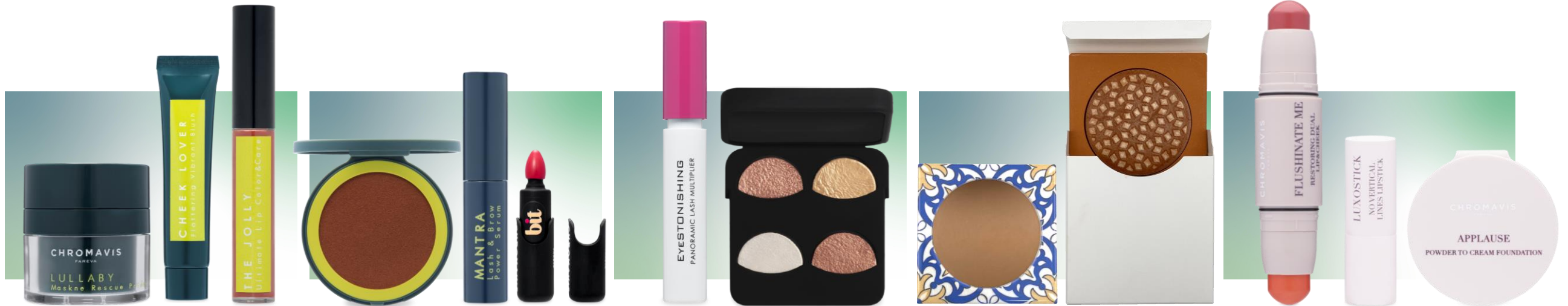
MATERIALS TO BE
RECOVERED
REFURBISHED
RE-MANUFACTURED

REPURPOSABLE

DESIGNED TO BE
REPURPOSED WITH A
DIFFERENT FUNCTION
(E.G. DÉCOR)

REFILLABLE

ENSURE SUSTAINABILITY
REDUCE WASTE
MINIMIZE CARBON FOOTPRINT



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PRODUCT QUALITY

CERTIFICATIONS

The **quality of our products** is a central pillar in order to guarantee safety to our employees and customers.

Our goal is to always **look ahead**, to **anticipate** and to be able to respond to the different needs of our customers guaranteeing the highest level of quality.



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PRODUCT QUALITY

SOURCING & RAW MATERIALS

P PALM OIL

Palm oil is sometimes used by our raw materials suppliers; it does not appear on the INCI, but Chromavis asks its suppliers to declare if the raw materials contains some palm oil and, if it does, we purchase the **RSPO Mass Balance** material when available. This certification aims to minimize the negative impacts of palm oil cultivation on the environment and communities (especially deforestation, modern slavery and prevention of child labor).

Raw materials in use (1st half of 2022):

326 raw materials in use that are Palm Oil derivate:

- 78,3% are RSPO Mass Balance
- 0,9% are RSPO Book & Claims
- 18% is RSPO Segregate
- 18% RM no RSPO certified

Since 2019, Chromavis **new formulas are all containing RSPO certified raw materials.**

In the last year Chromavis has **reduce to 7%** the raw materials in portfolio without RSPO certification.

C CONFLICT MINERALS

Chromavis **does not purchase any Conflict Minerals** or their derivatives.

As a result of Section 1502 of the Dodd-Frank Act, the United States Securities and Exchange Commission (SEC) adopted the Conflict Minerals rule in 2012. The rule requires public traded U.S. companies to determine if their products contain tin, tantalum, tungsten, or gold (3TG) and disclose whether those minerals were sourced from the Democratic Republic of the Congo (DRC) or its nine adjoining countries (DRC+9: Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia).

3TG are referred to as conflict minerals when they originate in the DRC+9 and are used to finance armed groups in the region.

N NATURAL MICA

Chromavis **avoids to purchase natural mica from unreliable sources.** Each supplier must issue a **no child labor declaration** to be validated.

. Natural mica is a mineral used as a substratum for the production of pearlescent pigments.

. Most producers purchase the material from Indian mines due to the high quality. Illegal mines had been found in the two eastern states of Jharkhand and Bihar and the estimation is that around 5,000 children were working in these illegal mines

. The mica extracted from "illegal mines" is sold to exporters who mix it with mica from "legal mines", so there is a high possibility that child labour is involved if the mica is purchased from exporter and not directly from the mines

. 71% of natural mica manufacturers that supply Raw Materials to Chromavis are RMI (Responsible Mica Initiative) members. **96%** of Chromavis formulas contains **mica produced by RMI member** manufacturers.



PRODUCT QUALITY

SOURCING & RAW MATERIALS

We recognize that **improving our procurement performance** is an ongoing process and that our suppliers are important partners in our journey to become more sustainable.

Procurement at **Chromavis** is based on respect of our suppliers, of their corporate culture, of their growth and their employees. The quality of the relations with them contributes to our long-term success based on **reliability, trust and loyalty**. We support the development of our suppliers through a process that includes constructive dialog and joint effort.

As we have a deep concern for sustainability issues, we want our suppliers to share the same values and expect them to meet the same standards for ethics, human rights, health and safety, and environment that we set for ourselves.

Sustainability is one of the main criteria we use to assess our suppliers, in addition to quality, innovation and supply chain performances.

We plan to use our suppliers' EcoVadis results to evaluate our highest risk suppliers through independent, third-party auditing processes. The intent of our follow-up program is to educate and help suppliers make progress on their path toward becoming more sustainable companies.

Our **target** is to:

- Assess the main suppliers with a growing covered purchase value year by year
- **Minimize our environmental impact** and encourage our suppliers to adopt best practices that minimize their environmental impact, buying **safe and healthy raw materials and packaging**
- Work in partnership with suppliers to achieve our common goals to **buy sustainable products and services**
- Work with suppliers who adopt a strong **safety control** of their products
- Continually improve our **Suppliers' evaluation program** in order to achieve higher performance over time
- Operate ethically and in compliance with applicable laws

MEETING CUSTOMER NEEDS

Our products are tested during each phase of the creative and production process, both internally and externally.

FOCUS GROUP

When developing a **new concept** or a new product **idea**, we love to test it by listening to opinions and learning from the behaviors and **attitudes** of a small **selected community** that can represent the final consumer.

These process help us **identify** the likely first impressions and reactions of a potential consumer, and therefore **understand** if we are following the right direction or if we need to adapt the concept under analysis, **to better respond to market needs**.

INTERNAL PANELS & EXTERNAL EFFICACY TESTS

In addition to **regulatory testing** associated with consumer health and safety, we are committed to formulating products with the highest **quality** and **performance**.

The first step of our testing consists in **conducting internal panel tests** during the product development phase, to give our teams a **thorough insight** into the product results, to obtain the **best outcome** in terms of performance and pay-off.

External tests are then conducted at designated laboratories on a selection of formulas to validate the main claims declared.

From January 2021 until June 2022 and 39 **external efficacy tests** were successfully conducted on our formulas.

The most common **claims tested** (clinical or instrumental) were lasting, hydration, no transfer and water resistance.

All claims were confirmed for 95% of the tested formulas.

MEETING CUSTOMER NEEDS

LOCAL & TARGETED SERVICES

On the operations side, we offer our clients local and targeted services: local Production, local R&D and, quite recently, local Marketing teams located in EMEA, US, and Brazil. This leads to an agile operational strategy, as we consider speed as the key to customer satisfaction and to achieving our innovation goals.

BUSINESS DEVELOPMENT UNITS

Since 2020 Chromavis has created **3 Business Development Units**: one in Italy for the European market, one in Asia and one in the US.

Local Marketing means a better understanding of **local markets, trends and needs**, a better **customized product offer, fast-solutions** and shorter timing.

LOCAL R&D LABS

We have **6 R&D** Laboratories in the world: one in Italy, one in USA, one in Brazil, two in France and one in Poland.

Research and innovation are at the core of our business. Being closer to our clients allow us to be even more strong on this side.

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MEETING CUSTOMER NEEDS

CHROMAVIS ATELIER

In 2020 we launched Chromavis Atelier, a **revolutionary business model** that allows our clients to approach market faster, launching products in record timings.

Quick launches require ready-to-go products, that are compliant to both clients and country blacklists, and so ready to be sold.

Therefore, we offer a **360° consultancy**: from deep regulatory know-how up to the global creative content needed to develop, execute, and launch a brand on the market.

Since its creation, this service has allowed us **to provide noticeable support** to many cosmetic companies and brands that intend to approach make-up innovation quickly and with excellent results.





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Thank You